GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:861
ANSWERED ON:26.02.2009
SCHEMES FOR FOOD PROCESSING
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Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) the details of schemes in operation for storage and processing of fruits and vegetables;

(b) whether the Government has given aid for food parks and other food processing units in various parts of the country including Kerala; and

(c) if so, the details thereof?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (I/C) (SHRI SUBODH KANT SAHAI)

(a) to (c): To encourage setting up of cold chain facilities and backward linkages in the country, Ministry of Food Processing Industries (MFPI) has a Plan Scheme during 11th Plan to provide financial assistance to project proposals received from public / private organizations for integrated cold chain infrastructure development. The scheme envisages financial assistance in the form of grant- in-aid @ 50% of the total cost of plant and machinery and technical civil works in general areas and 75% for North Eastern Region and difficult areas subject to a maximum of Rs.10.00 crores. The initiatives are aimed at filling the gaps in the supply chain, strengthening of cold chain infrastructure, establishing value addition with infrastructural facilities like sorting, grading, packaging and processing for horticulture including organic produce, marine, dairy, poultry, etc.

Ministry of Food Processing Industries (MFPI) has been implementing various other schemes for promotion and development of Food Processing Industries including fruit and vegetables processing industries in the country. Under the Scheme for Technology Upgradation/ Modernization/ Establishment of Food Processing Industries, MFPI extends financial assistance to food processing units in the form of grant-in-aid @ 25% of the cost of plant and machinery and technical civil works subject to a maximum of Rs. 50.00 lakh in general areas or 33.33% subject to maximum of Rs. 75.00 lakh in difficult areas such as Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Sikkim and North Eastern States, Andaman & Nicobar Islands, Lakshadweep and ITDP areas. In addition, under the Technology Mission for Integrated Development of Horticulture in North Eastern and Himalayan States, higher levels of assistance @ 50% upto Rs. 4.00 crore for setting up and Rs. 1.00 crore for Upgradation of fruit and vegetables processing is available.

Under the old Plan Scheme of Ministry of Food Processing Industries 56 Food Parks have been approved for grants-in-aid in various states, including 4 Food Parks in Kerala. A statement is Annexed.

Ministry has also been operating several other Plan Schemes to provide financial assistance for modernization of abattoirs, setting up / up-gradation of food testing laboratories, creation of infrastructure facilities for Human Resource Development, Research & Development in food processing sector, implementation of Quality Systems such as Hazard Analysis Critical Control Points (HACCP) / ISO 22000 systems besides other promotional and capacity building measures to encourage development of food processing industries. Moreover, the Government has taken several steps like tax reduction, waiver/reduction of excise duty, reduction of custom duty on specific food items with a view to encourage the growth of Food Processing Industries and make them more competitive.